



Shahtaj Sugar Mills Limited

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NO. SSM-12/2016

December 26, 2016

The General Manager,
Karachi Stock Exchange Limited.
Stock Exchange Building,
Stock Exchange Road,
Karachi

Fax # 32420825
111-573-329

Subject: N O T I C E

Dear Sir,

51th Annual General Meeting of the Company is scheduled to be held on 27th January, 2017. The share transfer books of the Company will remain closed from 20th January, 2017 to 28th January, 2017 (both days inclusive).

We enclose herewith for your record and reference a Draft Notice of this Annual General Meeting. This Notice will be published in newspapers on 6th January, 2017

Thanking you,

Yours faithfully,
For SHAHTAJ SUGAR MILLS LIMITED

(Jamil Ahmad Butt)
Company Secretary

Encl. As above

SHAHTAJ SUGAR MILLS LIMITED
NOTICE OF ANNUAL GENERAL MEETING

To,

All the Shareholders,

Notice is hereby given to all the shareholders of SHAHTAJ SUGAR MILLS LIMITED that the 51st Annual General Meeting of the Company will be held on Friday, the 27th January, 2017, at 11:00 A.M at Beach Luxury Hotel, M.T. Khan Road, Karachi

Ordinary Business

1. To confirm the minutes of Annual General Meeting held on 28th January, 2016.
2. To consider and adopt audited Financial Statements of the Company for the year ended 30th September, 2016 together with Auditors' and Directors' Reports thereon.
3. To approve a cash Dividend @ 50% i.e. Rs.5.00 per share for the year ended September 30, 2016 as recommended by the Directors.
4. To appoint Auditors of the Company for the year 2016-2017 and to fix their remuneration. The present Auditors M/s. EY Ford Rhodes, Chartered Accountants, being eligible, have offered themselves for reappointment.

Special Business

5. To authorize the Company, subject to the approval of the Securities and Exchange Commission of Pakistan, to transmit its quarterly accounts by placing the same on the Company's website instead of circulating by post to the Shareholders, through the following ordinary resolutions:

RESOLVED THAT subject to all prior necessary approvals as stipulated by the regulatory authorities, the Company be and is hereby authorized to transmit its quarterly accounts by placing the same on the Company's website instead of circulating by post to the Shareholders.

FURTHER RESOLVED that the Company Secretary be and is hereby authorised to do all necessary acts, deeds and things in connection therewith and ancillary thereto as may be required or expedient to give effect to the spirit and intent of the above resolution.

6. To incorporate mandatory E-voting provisions in the Articles of Association of the Company through following resolutions as Special Resolutions.

'RESOLVED that the Articles of Association of the Company be amended by inserting two new Articles No. 60A and 60B after Article No. 60.

60A In case of E-voting both members and non-members can be appointed as proxy through an instrument of proxy as prescribed in option No.2 of Schedule II of SRO 43 (I)/2016 dated 22nd January, 2016 being SECP Notification of Companies (E-voting) Regulations, 2016.

60B All other provisions and requirements for E-voting as prescribed by SRO 43 (I)/2016 dated 22nd January, 2016 being SECP Notification to Companies (E-voting) Regulations, 2016 and any subsequent amendments thereto shall be deemed to be incorporated in these Articles of Associations irrespective of the other provisions of these Article and notwithstanding anything contrary therein.

7. To transact any other ordinary business with the permission of the Chair.

By Order of the Board



(JAMIL AHMAD BUTT)
Company Secretary

Karachi: Decemberr 26, 2016

Notes:

1. The share transfer books of the Company will remain closed from 20/1/2017 to 28/1/2017 2017, (both days inclusive).
2. Members holding shares physically and Holders of Accounts and Sub-accounts for Company's shares in Central Depository Company of Pakistan Limited, who wish to attend this Annual General Meeting may do so by identifying themselves through their original CNIC/Passport and providing a copy thereof.
3. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting and must be duly stamped, signed and witnessed.
4. **Submission of Copies of CNIC**

The Securitias and Exchange Commission of Pakistan (SECP) vide its SRO 779 (I)/2011 dated August 18, 2011, SRO 831 (I)/2012 dated July 5, 2012 and SRO 19 (I)/2014 dated January 10, 2014 has made it mandatory that the dividend warrants should bear the Computerised National Identity Card Number (CNIC) of the registered member or authorised person, except in the case of minor(s) and corporate members. Therefore individual members or their authorised representatives who have not yet provided a copy of their valid CNICs to the Company/Shares Registrar are requested to provide the same at their earliest to avoid any inconvenience. In case of non-receipts of copy of valid CNIC (unless it has been provided earlier) the Company will be constrained to withhold dispatch of dividend warrant to such Shareholder as per SECP directives.

5. **Deduction of Income Tax**

As per the provisions of Section 150 of the Income Tax Ordinance, 2001 ("Ordinance") different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. The Current withholding tax rates are as under:

- (a) For Filers of Income Tax Return: 12.50%
 (b) For Non-Filers of Income Tax Return: 20.00%

All the shareholders whose names are not entered into the Active Tax-payers list (ATL) provided on the website of the Federal Board of Revenue ("FBR"), despite the fact that they are Filers, are advised to make sure that their names are entered into ATL before the date of issuance of Dividend Warrants, otherwise tax on their Dividend will be deducted @ 20% instead of @ 12.50%.

The Corporate Shareholders having CDC account are required to have their National Tax Number (NTN) updated with their respective Participants, whereas corporate physical shareholders should send a copy of their NTN certificates to the Company or Company's Share Registrar and Share Transfer Agent, M/s. Jwaffs Registrar Services (Pvt) Limited

The shareholders while sending NTN or NTN certificates, as case may be, must quote Company name and their respective Folio Numbers.

As per FBR's clarification, the valid Exemption Certificate under Section 159 of the Ordinance is mandatory to claim exemption of withholding tax under Clause 47B of Part-IV of Second Schedule to the Ordinance. Those who fall in the category mentioned in above Clause must provide valid Tax Exemption Certificate to our Shares Registrar; otherwise tax will be deducted on dividend amount as per rates prescribed in Section 150 of the Ordinance.

For shareholders holding their shares jointly, as per the clarification issued by the FBR, withholding tax will be determined separately on 'Filer / Non-Filer' status of Principal shareholder as well as Joint-holder(s) based on their shareholding proportions. All shareholders who hold shares jointly are therefore requested to provide shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to the Registrar and Shares Transfer Agent in writing as follows:

Folio / CDC Account No.	Total Shares	Principal Shareholder		Joint Shareholder(s)	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion No. of Shares

Statement of material facts under Section 160 (1) (b) of the Companies Ordinance, 1984:

Agenda Item No. 5

The Securities and Exchange Commission of Pakistan (SECP) vide circular No. 19 of 2004 has allowed listed companies to place their quarterly accounts to their Website instead of sending the same by post. Directors of the Company have considered it and recommended the shareholders to give their consent to adopt this change. It will facilitate prompt disclosure of the information to the shareholders as well as saving some costs, associated with printing and dispatch of the accounts by post.

The Company however will supply printed copies of accounts to the shareholders on demand at their registered address free of cost.

Agenda Item No. 6

The Securities and Exchange Commission of Pakistan (SECP) has issued Companies (E-Voting) Regulations, 2016 which are effective with immediate effect.

To give effect to these regulations Company has to amend its Articles of Association by way of inserting 2 new clauses as mentioned in Agenda Item No. 6. These amendments will pave way for moving ahead to fully implement these regulations, ultimately extending E-voting right to members.